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EX-AGENT FOR U.S. HELD IN SPY CASE

A Former Counterintelligence Operative Is Tied to K.G.B.

By The Associated Press

WASHINGTON, April 4 — The Federal Bureau of Investigation arrested a former Army counterintelligence agent today on charges of selling to the Soviet Union information about an American double agent operation aimed at penetrating the Soviet K.G.B. spy agency.

The Government said the former agent gave the Russians enough information to identify a double agent ostensibly working for the Soviet Union but actually helping American officials learn the identity of K.G.B. agents.

Arrest Made at Dulles

"He hurt us," said one Federal law-enforcement source, who declined to be named. As a result of the case, the source said, American officials are concerned for the safety of a number of double agents working with the Army Intelligence and Security Command, a counterintelligence operation charged with protecting the Army from foreign spies.

Attorney General William French Smith said the former agent, Richard Craig Smith, 40 years old, of Bellevue, Wash., was arrested at Dulles International Airport as he flew here to surren-

der. He was charged with transmitting national defense information to a Soviet intelligence officer, an offense that on conviction could carry a penalty of life in prison.

In documents filed in Federal District Court in Alexandria, Va., the Government said that Mr. Smith, who was responsible for double agent operations for the Army Intelligence and Security Command until leaving the Government in 1980, met with Victor I. Okunev at the Soviet commercial compound in Tokyo on Nov. 7, 1982.

The Government said Mr. Smith transmitted classified information about an Army double agent operation known as "Royal Miter" to Mr. Okunev and was paid \$11,000 in cash.

The Government identified Mr. Okunev as an intelligence officer of the K.G.B. Justice Department sources, who declined to be identified, said Mr. Okunev had been stationed in Japan and was expected to be expelled from that country soon.

In an affidavit, Michael Waguespack, an F.B.I. agent, said he had been investigating Mr. Smith, now a self-employed real estate investor, since December 1983. He said Mr. Smith worked for the Army Intelligence Command from July 1973 until January 1980.

High Security Clearance

Mr. Smith had a top secret security clearance and ran double agent operations, the affidavit said.

Mr. Smith appeared before Magistrate Harris Grimsley, who ordered him held without bond pending a preliminary hearing April 13.

"Royal Miter," the name for one of the operations and for one double agent who the Russians thought was working for them, was aimed at learning the identity of K.G.B. officers engaged in espionage against the United States, Mr. Waguespack said. Mr. Smith was the case officer or alternate case officer who met with the double agent from October 1976 to July 1978.

Mr. Waguespack said he had interviewed Mr. Smith several times in February and that Mr. Smith had acknowledged telling Mr. Okunev about "Royal Miter" in enough detail to allow the Soviets "to determine Royal Miter's identity."

John Russell, a Justice Department spokesman, declined to comment when asked what had become of the double agent known as "Royal Miter" or what his nationality was.

A Federal law-enforcement source, who declined to be named, said, "Smith has provided us with some information, but we believe he will provide more detailed information now that he's under arrest."

The source said there were no other arrests anticipated.

According to Mr. Waguespack of the F.B.I., Mr. Smith said he met Mr. Okunev in Tokyo in November 1982 and February 1983.

In the interviews with the F.B.I., Mr. Smith said that after he left the Government in 1980 he borrowed heavily to support business ventures but ran into difficulty and was forced to declare bankruptcy in the summer of 1982.

Mr. Waguespack said Mr. Smith identified a photograph of Mr. Okunev as the K.G.B. officer with whom he met in Japan and that the bureau has obtained documents and statements from prospective witnesses that confirm Mr. Smith's statement that he told the K.G.B. about the "Royal Miter" operation.